

Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

9
2F

Foreign CROPS AND MARKETS



VOLUME 58

NUMBER 19

WORLD SUMMARIES.

Flaxseed (Page 441)

LATE NEWS (Page 440)

Meat (Page 445)

Fish Oil (Page 447)

CONTENTS

Page

COTTON AND OTHER FIBER

Portugal's Cotton Textile Industry Continues
to Expand..... 465
Cotton-Price Quotations on Foreign Markets..... 464

FATS AND OILS

World Flaxseed Production Expected to Decline 441
World Production of Fish Oil Decreases..... 447
South Africa Continues to Increase Peanut
and Sunflower Seed Production..... 455
Argentine Fish and Whale Oil Production..... 457

GRAINS, GRAIN PRODUCTS AND FEEDS

Trinidad's Rice Imports Continue Below Average 452
Canadian Grain Stocks Larger..... 453

LIVESTOCK AND ANIMAL PRODUCTS

World Meat Production Declines..... 445
Livestock Numbers in Bizonal Area of Germany
Increase..... 462

TOBACCO

Austria De-Rations Tobacco Products; Reduces
Cigarette Prices..... 460
Greece's Tobacco Acreage and Production
Smaller; Exports Larger..... 461
Portugal Increases Tobacco Import Duties..... 462

TROPICAL PRODUCTS

Drop in Brazilian Coffee Production Forecast.. 458
Haiti's 1948 Coffee Exports Smaller; Little
Change in 1948-49 Production..... 459
Madagascar's 1948 Exports of Vanilla Beans
Down Sharply..... 459

LIBRARY
CURRENT SERIAL RECORD

MAY 12 1949

U.S. DEPARTMENT OF AGRICULTURE

FOR RELEASE

MONDAY

MAY 9, 1949

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS
WASHINGTON 25, D.C.

L A T E N E W S

Finland's Cabinet raised farmers' wheat and rye prices by 22 and 28 percent, respectively, effective April 26. At the same time it agreed to abolish the present subvention and price equalization schemes on domestic and imported cereals, effective July 1. Plans are being made to offset the increase in the cost of living that will result from higher consumer flour prices (a 100 percent rise is expected) by reducing the personal income and turn-over taxes.

- - - - -

Sweden, whose food supply has been increasing steadily, has discontinued the rationing of edible fats.

- - - - -

This year's barley crop in Libya is expected to exceed 6.9 million bushels--substantially above prewar average production, according to the American Consulate in Tripoli. A large part of the crop is now fully matured. Estimates indicate that the exportable surplus will range from 2.5 million to 3.5 million bushels. All grain exports from Libya are made by the Office of Trade and Supplies from Administration-owned supplies.

- - - - -

For the first time in 10 years, Tunisia not only expects to meet its own grain requirements in 1949 but also anticipates an exportable surplus, according to the American Consulate General in Tunis. This improved situation results from favorable growing conditions from last October through April of this year. Latest official forecasts indicate a wheat crop of 16.9 million bushels and a barley crop of 13.8 million bushels compared with 1948 production of 11 million and 4.5 million bushels, respectively. Farmers in Tunisia are reported concerned about markets for the expected surplus.

(Continued on Page 467)

FOREIGN CROPS AND MARKETS

Published weekly to inform producers, processors, distributors and consumers of farm products of current developments abroad in the crop and livestock industries, foreign trends in prices and consumption of farm products, and world agricultural trade. Circulation of this periodical is free to those needing the information it contains for dissemination and other related activities. Issued by the Office of Foreign Agricultural Relations of the U.S. Department of Agriculture, Washington 25, D. C.

WORLD FLAXSEED PRODUCTION EXPECTED TO DECLINE

World production of flaxseed in 1949 is expected to show a decided downward trend from the 147,880,000 bushels harvested in 1948, according to information available in the Office of Foreign Agricultural Relations. Some countries that produced record crops last year are asking farmers to reduce their plantings this season.

Canada anticipates a sharp decline in acreage. Based on preliminary reports, farmers in the Prairie Provinces will plant only 825,000 acres in contrast to 1,868,000 in 1948. The Government will not support the price for 1949-50 (August 1-July 31) flaxseed. Mexican Government officials are trying to discourage acreage expansion. In the Mexicali area, production is expected to be at least 25 percent less than in 1948. Mexican flaxseed is no longer under export control. The United States farmers have been asked not to exceed the 3,026,000 acreage goal established by the Government. The support price is \$3.99 a bushel, Minneapolis basis, for No. 1, 1949-crop flaxseed. Support for last year's crop was \$6.00 a bushel. India's flaxseed harvest may be slightly larger than in 1948. It will be some time before planting begins in Argentina and Uruguay.

The 1948 world flaxseed crop of 147,880,000 bushels was one of the largest and exceeded the 1947 output by 12 percent. The United States turned out a record crop. Canada, Mexico, and several minor producing countries had above average or record harvests, but Argentina's production was the smallest in 30 years.

Canada's final estimate for 1948 flaxseed is unchanged at 17,353,000 bushels from 1,934,000 acres. Producers are guaranteed \$4.00 per bushel for No. 1 C.W. flaxseed in store Fort William until July 31, 1949, and the Wheat Board will buy all seed offered until that date. Unless existing surpluses are disposed of, flaxseed prices probably will decline sharply after August 1. Canada still has a large surplus, and immediate marketing prospects are not bright.

Exports of flaxseed totaled 4,550,000 bushels and linseed oil 47,000,000 pounds (about 2,500,000 bushels in terms of seed) during the calendar year 1948. About half of these quantities moved out of the country before the 1948 flaxseed was harvested.

Mexico harvested approximately 1,500,000 bushels of flaxseed in 1948 compared with 900,000 a year earlier. The increase was in the Mexicali area and was produced chiefly for export.

The United States 1948 flaxseed crop of 52,533,000 bushels was this country's largest and exceeded that of the preceding year by 30 percent. Supplies of flaxseed available at the beginning of the 1948-49 season were far in excess of domestic requirements and provided an exportable

FLAXSEED: Average, yield per acre, and production in specified areas, year of harvest
average 1935-39, annual 1945-48 $\frac{1}{2}$

Continent and country	Harvested acreage					Yield per acre					Production				
	Average		1945		1946	Average		1945		1946	Average		1945		1946
	1935-39	1945	1946	1947		1935-39	1945	1946	1947		1935-39	1945	1946	1947	1948 $\frac{2}{2}$
	acres	acres	acres	acres	acres	acres	acres	acres	acres	acres	bushels	bushels	bushels	bushels	bushels
NORTH AMERICA															
Canada.....	307	1,099	841	1,571	1,934	4.9	7.2	7.6	7.8	9.0	1,508	7,993	6,403	12,246	17,353
Mexico.....	6	18	65	135	135	6.3	10.8	10.7	11.6	11.2	111	153	169	246	396
United States.....	1,454	3,785	2,432	4,030	4,714	7.8	5.1	5.3	10.1	11.1	10,991	34,571	22,585	40,536	52,133
Total.....	1,774	4,909	3,346	5,679	6,803	-	-	-	-	-	12,610	42,653	29,777	53,678	71,322
EUROPE															
Austria $\frac{1}{2}$	5	7	5	6	6	7.1	-	8.4	5.9	8.7	36	-	40	36	69
Belgium $\frac{1}{2}$	75	60	78	69	74	8.9	9.1	8.0	6.8	7.9	664	948	617	470	587
Bulgaria.....	8	11	14	2	8	6.5	5.4	5.5	6.1	-	52	61	10	47	-
Czechoslovakia $\frac{1}{2}$	35	47	16	90	90	6.9	5.3	5.6	4.3	6.8 $\frac{5}{5}$	243	246	277	401	-
Denmark.....	-	23	5	-	45	-	22.5	15.9	17.5	-	-	115	47	-	-
Finland $\frac{1}{2}$	9	27	20	27	27	5.0	4.7	4.4	4.3	-	464	133	357	350	-
France $\frac{1}{2}$	57	93	81	81	130	10.7	-	-	-	10.0 $\frac{5}{5}$	795	1433	157	98	1,300
Germany $\frac{1}{2}$	57	-	-	-	-	-	-	-	-	-	79	-	94	-	98
Greece.....	28	5	8	-	-	10.3	9.0	12.3	-	283	283	43	94	-	-
Hungary.....	16	32	33	45	48	12.6	5.3	7.6	10.0	9.8	202	172	252	454	472
Italy $\frac{1}{2}$	42	23	31	31	48	13.0	10.5	10.2	11.7	12.3	546	245	314	384	592
Netherlands $\frac{1}{2}$	158	-	55	100	203	10.0	2.9	4.1	4.0	-	5/1,578	245	367	400	-
Poland and Danzig $\frac{1}{2}$	42	82	50	32	31	6.5	2.9	2.7	16.4	16.7	275	234	137	550	427
Romania $\frac{1}{2}$	2	38	22	39	49	-	20.0	12.2	16.4	-	-	164	272	600	-
Sweden.....	-	11	11	38	80	-	20.0	9.1	15.8	17.5	-	240	100	-	1,400
United Kingdom.....	33	-	-	-	-	1.6	-	-	-	-	52	-	-	-	-
Yugoslavia $\frac{1}{2}$	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (excluding U.S.S.R.) $\frac{1}{2}$	650	630	570	700	985	-	-	-	-	-	5,350	4,485	3,735	5,325	8,210
U.S.S.R. (Europe and Asia) $\frac{1}{2}$.....															
	-	-	2,656	3,353	4,730	5.1	-	4.2	4.5	4.6	5/32,115	-	11,257	15,230	22,000

ASIA														
Turkey ^{3/}	148	37	55	70	183	7.3	3.7	5.3	10.0	9.8	349	139	296	707
India ^{6/ 9/}	3,885	3,465	3,334	3,259	3,336	4.7	4.5	4.4	4.0	4.4	18,096	15,680	14,580	13,120
Pakistan	-	-	-	76	74	-	-	-	6.8	7.0	-	-	-	520
Japan ^{2/ 10/}	70	95	61	75	64	4.2	4.4	-	-	3.1	211	420	-	351
Total (excl. U.S.S.R.)	4,075	3,820	3,680	3,710	3,925	-	-	-	-	-	-	-	-	-
and China ^{8/}	-	-	-	-	-	-	-	-	-	-	18,925	16,565	15,415	15,010
SOUTH AMERICA														
Argentina	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Brazil	6,077	3,420	3,798	3,339	2,330	9.8	11.1	10.7	11.1	9.3	59,571	37,995	40,705	37,104
Chile ^{3/}	5	12	13	13	17	8.2	12.5	13.3	13.4	13.1	37	151	866	591
Uruguay	407	592	500	551	522	9.6	8.7	9.5	7.0	7.7	3,691	5,159	2,845	168
Total ^{8/}	6,570	4,115	4,205	3,975	2,940	-	-	-	-	-	64,935	44,000	44,590	41,730
AFRICA														
Egypt ^{3/}	7	7	4	11	22	12.4	10.9	12.0	12.7	14.0	87	77	43	312
French Morocco	51	93	32	74	121	7.1	1.4	7.4	5.3	10.1	362	134	238	394
Total ^{8/}	65	115	90	90	215	-	-	-	-	-	900	290	520	595
OCEANIA														
New Zealand	1	10	12	19	10	14.2	12/14.3	9.8	7.5	16.8	17	113/	120	140
Total ^{8/}	1	10	12	21	17	-	-	-	-	-	17	175	120	166
World total (excluding China)	19,570	15,840	14,560	17,530	19,615	-	-	-	-	-	133,555	117,365	105,415	131,695

1/ Harvests of the Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus the crop harvested in the Northern Hemisphere countries in 1948 is combined with the Southern Hemisphere harvest which began late in 1948 and ended early in 1949. ^{2/} Preliminary. ^{3/} Acreage includes area for fiber. ^{4/} Includes acreage utilized for combined plantings but excludes acreage planted for fiber production only. ^{5/} Average of less than 5 years. ^{6/} Sown area. ^{7/} Flax and hemp through 1945. ^{8/} Includes estimates for the above countries for which data are not available and for minor producing countries. ^{9/} Officially reported figures plus Indian official estimates for unreported tracts except in the years 1945-48 inclusive, when no estimates for unreported tracts are available. ^{10/} Prior to 1947 figures for India include Pakistan. ^{11/} 1955 only. ^{12/} Field calculated from seed acreage only. ^{13/} Includes seed from fiber flax.

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics of foreign governments, reports of United States Foreign Service officers, results of office research, or other information. Preliminary estimates for countries having changed boundaries have been adjusted to conform to present boundaries.

surplus of both seed and oil. Exports of flaxseed in 1948 rose from 15,000 bushels at the end of September to 1,650,000 by December 31. Shipments of linseed oil totaled 29,600,000 pounds (about 1,557,000 bushels seed equivalent) during January-December 1948.

Many European countries are stepping up flaxseed production. Increases in Austria, Belgium, Germany, Italy, The Netherlands, Sweden, and the United Kingdom brought the total for 1948 to 8,200,000 bushels. This represents an increase of 54 percent over 1947 and exceeds the prewar average by 53 percent.

Total flaxseed production in Asia was larger in 1948 than in recent years. India's crop of 14,560,000 bushels was about 11 percent above the 1947 output. Although this country has probably completed the 1949 flaxseed harvest, official figures have not been received. Trade estimates, however, place production at 16,000,000 bushels.

Turkey's 1948 flaxseed production has been revised downward to 1,793,000 bushels but is still more than double the output of the previous year. More than one million bushels of flaxseed were exported in 1948, chiefly to European countries.

Argentina's 1948 flaxseed production has not been officially reported, but indications point to an outturn of 21,600,000 bushels which is much below average for that country. This small crop resulted from decreased plantings, considerable abandonment, and relatively low yields following frost and drought.

Despite this small crop, Argentina's linseed oil stocks appear to be excessive. Storage space is nearly filled, and crushing may soon be curtailed drastically. The IAPI (Argentine Trade Promotion Institute) has discontinued its payments to crushers for installation of additional storage tanks and has reduced its export quotation for linseed oil from 1.80 pesos per kilogram (24.3 cents per pound) to 1.60 (21.6 cents).

Chile harvested 225,000 bushels of flaxseed from 17,000 acres in 1948 and established a new record for that country.

Uruguay's 1948 flaxseed crop of 4,000,000 bushels was considerably smaller than expected. The yield per acre on many farms was exceptionally small and the average for the country was only 7.7 bushels compared with the prewar average of 9.6 bushels per acre. The outlook for the coming season is not encouraging. It is expected that the acreage will be reduced since prices are dropping and marketing prospects are not bright.

African countries increased their flaxseed crops considerably in 1948. The total for that continent was almost four times the size of the 1947 production.

(Continued on Page 451)

WORLD MEAT PRODUCTION DECLINES 1/

World meat production in 1948, excluding the Far East and other relatively unimportant livestock producing countries of Africa and Latin America, is estimated by the Office of Foreign Agricultural Relations at 63.8 billion pounds. This is a decline of 1.7 billion pounds or 2.6 percent from the preceding year and places the 1948 meat output at 2.9 billion pounds or 4 percent below the 1934-38 average. The 1948 down-turn in the trend is largely due to the reduced feed supplies in many producing countries in 1947 and to the holding out of livestock for expansion purposes in 1948.

Although meat production in 1948 dropped somewhat in all areas except the Union of South Africa, the Middle East area and the Soviet Union, the production on all Continents other than Europe and in the Soviet Union was well above prewar levels. The increases which did occur during 1948 in the Union of South Africa, the Middle East and the Soviet Union were moderate and were the result of more favorable weather conditions and the improved feed and pasture situation in those areas during the preceding year.

Meat production in the United States dropped nearly 1.8 billion pounds in 1948. This decline reflects the high slaughter rate in the postwar years and the tight feed situation in early 1948. Cattle numbers declined progressively from January 1, 1945 to January 1, 1948, and hog numbers dropped in 1946 and 1947. In Canada, meat production also declined because grain farming was more profitable and required less labor than livestock farming. Mexico, on the other hand, increased its production as surplus cattle normally exported to the United States were slaughtered locally under the meat purchase program designed to provide a market outlet for canned meat and to aid in the foot-and-mouth disease eradication campaign.

In Europe, the reduced feed supplies in the postwar years and the 1947 drought have held back recovery of livestock numbers in most of the Western European countries. Meat production in Belgium and the United Kingdom, however, showed some slight improvement over a year earlier. Also the meat output in Poland, Yugoslavia, Rumania, Italy, Bulgaria, Spain and Portugal is believed to have shown some slight increase over 1947, indicating that the 1947 feed situation was somewhat more favorable in Eastern and Southern Europe.

While the Soviet Union perhaps showed the largest increase in meat production of any country in 1948, its output, like that of many of the European countries, was far below the 1934-38 prewar average. The 1948 production in the Soviet Union, however, reflects the more favorable pasture and feed situation that existed there in 1947.

1/ A more extensive statement may be obtained from the Office of Foreign Agricultural Relations.

Most of the principal livestock producing countries of South America indicated some gain in production over a year earlier, but the decrease in Argentina more than offset these increases. Generally, uncertainty of cattle prices and market outlets for pork curtailed the 1948 meat production in Argentina.

Meat output in Australia increased because of better grazing conditions and larger number of livestock generally, but this gain was offset slightly by lower meat production in New Zealand, owing to the drop in sheep and lamb slaughter. In the Union of South Africa, meat production reflected slightly higher cattle slaughter and larger hog numbers.

This is one of a series of regularly scheduled reports on world agricultural production, approved by the Office of Foreign Agricultural Relations Committee on Foreign Crops and Livestock Statistics. For this report the Committee was composed of C. M. Purves, Acting Chairman, Elmer A. Reese, Hazel B. Kefauver, Karen J. Friedmann, and C. S. Stephanides.

WORLD PRODUCTION OF FISH OILS DECREASES 1/

The 1948 world production of fish oils, not including whale oil, is roughly estimated at 175,000 short tons. This is less than two-thirds of the 1935-39 average annual output and is below the 1947 production because of poorer catches by the large producers in 1948. The three largest postwar producing countries are the United States, Norway, and Iceland. Canada, Japan, Newfoundland, the United Kingdom, and Portugal account for most of the remaining production.

The fishing industry as a whole has not yet recovered to the point where the catch is equal to prewar. Equipment is now becoming more generally available and in some countries considerable interest is being shown in developing fish resources and producing fish oil. In South Africa, Australia, Argentina, Brazil, Chile, Peru, Cuba and other countries the waters nearby are being explored and in some countries plans have been made for constructing fish oil factories. Japan is re-entering the fish oil production field and vessels are being made available, mainly by the United States, to Western Germany to re-establish fishing enterprises there.

Expansion of fish oil production is facing greater competition as supplies of coconut and other vegetable oils, and animal fats, become larger. Also it is likely that the various vitamin-rich fish oils will experience further competition as a result of additional expansion in the production of synthetic vitamins. The sharp drop in fish oil prices probably will tend to discourage large expansion of the fish oil industry in the United States and might affect this industry similarly in other countries.

1/ A more extensive statement may be obtained from the Office of Foreign Agricultural Relations.

The United States is the world's largest producer of fish oil and is important also as an exporter and importer of this product. Its 1948 production of fish oils was estimated at 56,200 short tons, which was 6 percent below the output in 1947 and only one-half of the prewar output. In both 1947 and 1948 menhaden was the leading source of fish oil, with 49 and 53 percent of the total production, respectively. Herring was the next important source, followed by pilchard (sardine). The apparent disappearance of fish oils in the United States declined from 93,000 tons in 1947 to 58,000 tons in 1948.

Canada's fishery products come mainly from British Columbia, where herring is the mainstay of the fish oil industries, and the Grand Banks off Newfoundland where cod-liver oil is the principal fish oil produced. In addition, considerable quantities of oil are derived from pilchards, salmon waste, grayfish, anchovies, and cod. Canada's (excluding Newfoundland) production of 13,800 short tons of fish oils in 1948 was almost twice the production in 1947 and was above the prewar average. In Canada, not including Newfoundland, herring oil production was over 90 percent of the total fish oil produced and was 3 times the quantity of herring oil produced in prewar years. Newfoundland fish oil production was estimated at 7,000 tons in 1948 and increased from around 4,600 tons in 1946 to 6,400 tons in 1947.

Argentina is regarded as the largest fish oil producer in South America, although its output, when compared with that of the major producing nations appears insignificant. A river fish known locally as sabelo, is the principal source of fish oil other than shark-liver oil in Argentina. In the last 3 years, the yield from sabelo and other fish, is estimated at from 1,800 to 2,500 tons. Though Argentina has a long continental shelf which is a source of fish, very little exploitation has been carried on. The varieties used for oil, other than the sabelo, are hake, conger, anchovy, and weakfish. The production of vitamin-rich liver oil has been declining in Argentina due to the difficulties in finding sufficient sharks.

In Brazil there are numerous factories, mostly small, which extract fish oil and shark-liver oil. Most of the production, unfit for use as food or drugs, is used for lubrication and in tanning. The countries along the west coast of South America - Chile, Peru, Ecuador, and Colombia do not have important fishing industries. With the recent establishment of several new fisheries, however, fish oil production may soon become more important. This is also true in Mexico and the Central American countries, where fish oil production is limited more or less to shark-liver oils. On many Caribbean islands commercial fishing is a comparatively undeveloped industry.

Norway is one of the leading producers of fish oil. Production in 1948 at 36,400 tons, was down 15 percent from the output of 42,900 tons of oil in 1947. This was still considerably above the 30,800 tons produced in prewar years, however. The 1947-48 winter herring catch (counted as part of the 1948 production) was the most successful on record and as a result large quantities went to the oil plants. Herring oil factories operated as late as one month after the end of the fishing season.

The 1948 cod catches, on the other hand, were very poor due mainly to adverse weather conditions. Production of cod-liver oil was down to about half the quantity produced during the two previous seasons. The 1948 production was only 5,508 tons of steamed cod-liver oil as compared to 10,967 in 1947 and 9,905 in 1946.

Iceland produces large quantities of herring and cod-liver oils. The production of other oils, derived from haddock, coal fish, pollock, and fish related to the cod family, are mixed with the cod-liver oil to standardize the vitamin content. Production reached a high of 43,200 short tons in 1947 which was almost twice the prewar output. Production in 1948 was 29,200 tons of which almost all is being exported.

Iceland's 1948 herring oil production of 19,237 short tons was approximately half the 1947 output. A production rise had been expected as equipment has been much improved, but the herring catch during the summer of 1948 and the winter catch of 1948-49 were both small. The 1948-49 winter herring season was considered almost a failure with only 3,300 tons of oil produced. Cod-liver oil production in 1948 was up by 23 percent over 1947 and exports also increased. The total production of cod-liver oil in 1948 amounted to 10,029 tons and the 1949 production is forecast at 12,000 tons. Before World War II, production of cod-liver oil averaged 5,850 tons annually.

Prior to the war, the United Kingdom produced approximately 20,000 tons of fish oils, of which around 18,000 was cod-liver oil. During the war the fishing fleet was requisitioned and production of cod and cod-liver oils practically ceased. Postwar production of fish oils has recovered to only 25 percent of prewar levels. Production of 2,200 tons in 1947 increased to an estimated 5,500 tons in 1948. The United Kingdom has always been a leading importer of fish oils with approximately 25,000 tons imported in 1947.

Fishing is one of the most important industries, in Spain and Portugal but fish oil production is small. The year 1948 was the fourth, consecutive year of unsatisfactory returns for the fishing industry of Spain. Sardines comprise the largest and most important catch. Portuguese production, along with Angola's production, is estimated at 3,000 tons annually.

In the Netherlands and Belgium the principal catch is herring. Oil production has always been small. Production in 1947 for the Netherlands was only 400 tons, and in 1948 is estimated at 1,500 tons. Both before and after the war these two countries have depended on outside sources for the bulk of their oil requirements. Cod and herring have always been the principal catches in Sweden and Denmark and the total quantity caught during the war increased. The fish oil industry in both countries has remained relatively unimportant.

The Italian fishing industry expanded rapidly before the war, although high levels of fish oil production were never reached. During 1935-39 an annual average of around 5,000 tons of sardine oil was produced. The French output of fish includes mainly cod, herring, mackerel, and some sardines. Information is not available regarding production, but it is believed that most fish oil requirements are met by imports.

In prewar years, Japan occupied first place among the fishing countries of the world, and ranked second only to the United States in fish oil production. Sardines supplied about 80 percent of the total output, which averaged about 85,000 tons annually in 1935-39. Almost all the hardened oil used in Japan came from sardines. This production dwindled to approximately 700 tons in 1945 as a result of the war. The U.S. Military Government permitted Japan to resume large-scale fishing operations and production of fish oil, which was 10,000 tons in 1947, should continue to increase. Comparatively insignificant quantities of fish oil are produced in Asiatic countries other than Japan. Korea in prewar years produced large quantities of sardine oil, but this industry has not as yet been fully reestablished.

The annual output of fish body and fish liver oils in the Union of South Africa averages about 2,000 short tons. Considerable development has taken place recently in fish oil processing in the country. A number of large new plants have been purchased in the United States and installed along the West Coast of the Union. A substantial increase in fish oil production is expected during 1949 with at least 11,200 tons anticipated.

Production of fish oils in Africa, other than in Angola and the Union of South Africa, is negligible; and coconut, palm, and olive oils which can be acquired with less effort, probably serve to fill domestic needs. Angola was the most important producer of fish oil in Africa. The annual production during 1937-39 averaged about 1,100 short tons. During the war, it is estimated that fish oil output increased to over 2,000 tons annually.

Little attempt has been made to establish a fish oil industry in Australia, mainly because the Commonwealth is an extensive producer of animal fats and oils, and can readily obtain other oils from relatively near-by Pacific Islands. Fishing in the South Seas has been important mainly as a source of food to the inhabitants of that region. Bonito and tuna appear to be the most important catch. Little, if any, fish oil is believed to be produced in these islands.

Although limited information is available regarding the Soviet fishing industry, official figures show that fish production increased steadily from 1929 through 1936, reaching nearly 2 million tons in the latter year. The Caspian Sea and the Far Eastern waters off Siberia are where most of the fish are caught by the Soviets. Production figures for fish oil are not available.

FISH OILS (excluding whale oil): Estimated production by specified countries, average 1935-39, annual 1945-48

Country	Average 1935-39	Annual				
		1945	1946	1947	1948	
		1,000	1,000	1,000	1,000	1,000
		short tons	short tons	short tons	short tons	short tons
Argentina.....	.2	1.0	1.8	2.5	1.9	
Belgium.....	1.1	-	.4	.5	.5	
Canada.....	12.0	16.4	9.0	7.4	13.8	
Denmark.....	-	-	1.5	1.5	1.5	
Iceland 1/.....	22.3	24.5	26.1	43.2	29.2	
Japan.....	85.0	.7	5.0	10.0	12.0	
Netherlands.....	-	-	.2	.4	1.5	
Newfoundland.....	3.7	4.4	4.8	6.4	7.0	
Norway.....	30.8	20.6	31.8	42.9	36.4	
Portugal 2/.....	2.1	3.1	3.0	3.0	3.0	
Union of S. Africa:	-	-	1.5	1.7	1.9	
United Kingdom....	20.0	-	1.5	2.2	5.5	
United States 3/..	105.2	90.3	72.9	59.6	56.2	
Total 4/	287.4	163.0	165.9	184.1	175.0	

1/ Exports only.

2/ Includes Angola production.

3/ Excluding fish liver oils.

4/ Includes estimates for the above countries for which data are not available and for minor producing countries.

Hyphen (-) indicates data not available.

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics of foreign governments, reports of U.S. Foreign Service officers, results of office research, and other information.

WORLD FLAXSEED PRODUCTION---(Continued from Page 444)

Flaxseed cultivation in Algeria began in 1947 but did not meet with success until the following year when 394,000 bushels were harvested. Indications are that there will be a substantial increase in production in 1949. So far plantings have been confined to the Departments of Algiers, Oran and Constantine. The entire flaxseed crop is purchased by the Pool de l' Huile de Lin (The Linseed Oil Pool), which guaranteed farmers a price of 2.7 times the price of soft wheat for their 1948 crop.

Moroccan flaxseed has increased in recent years. The 1948 crop totaled 1,228,000 bushels compared with 394,000 in the preceding year. The upward trend is expected to continue in 1949 as indicated by the preliminary forecast of 290,000 acres, an area more than double that

reported for 1948. This expansion is attributed to the guaranteed price of 3.5 times the price of wheat. Many farmers hope to take advantage of this offer which probably will not be continued after the current season, or at least not at the present level. An additional reason for the larger acreage, particularly as regards native Moroccans, was the long delayed rains that shortened drastically the grain sowing season. Since Moroccans, possessing relatively primitive equipment, were able to prepare and sow only a limited area of their fields to wheat, they supplemented flaxseed for which ample time was available. The price was also sufficient to compensate to some extent for the reduction in their wheat crop.

This is one of a series of regularly scheduled reports on world agricultural production prepared by the Office of Foreign Agricultural Relations Committee on Foreign Crop and Livestock Statistics. For this report, the Committee was composed of C.M. Purves, Acting Chairman, Olav F. Anderson, Regina H. Boyle, Helen Francis, Constance H. Farnworth, Karen Friedmann, and Mary E. Long.

COMMODITY DEVELOPMENTS

GRAINS, GRAIN PRODUCTS AND FEEDS

TRINIDAD'S RICE IMPORTS

CONTINUE BELOW AVERAGE 1/

Postwar rice imports into Trinidad, British West Indies, have varied between 60 and 65 percent of prewar average imports, according to a report from Martin G. Blackburn, American Vice Consul, Port of Spain. Of the 27 million pounds imported in 1948, 18 million came from British Guiana and 9 million from Brazil. The combined imports from other countries, which included the United States, Colombia, and Venezuela, totaled only 1,120 pounds.

Trinidad's rice imports have come primarily from British Guiana since January 1, 1947. By that time an agreement had been negotiated between that country and Trinidad, as well as other British Leeward and Windward Islands, for British Guiana to meet the rice requirements of these areas insofar as the size of British Guiana's production permitted.

Owing to a below-average crop in British Guiana, the 1948 imports from that country into Trinidad amounted to only slightly more than one-half of the volume allocated by the International Emergency Food Committee. In an effort to relieve the shortage, Trinidad was allocated rice from Brazil. In 1948, therefore, about one-third of the imports came from Brazil.

1/ A more extensive statement may be obtained from the Office of Foreign Agricultural Relations.

The necessity for Trinidad's importation of Brazilian rice, which forced the Government to purchase at higher prices than those paid for rice from British Guiana, is noticeably reflected in the average price of imports last year. While the average price of rice purchased from British Guiana remained at the low price of 6 cents a pound, that from Brazil cost an average of 12 cents a pound. The total cost of rice imports for 1948 was \$2,100,000, or an average of 7.8 cents per pound compared with the 1947 total of \$1,300,000, at less than 6 cents a pound.

TRINIDAD: Rice production and imports, averages
1926-40, annual 1945-48 1/

Year	Acreage	Yield per acre	Production ^{2/} Rough of milled	In terms of Imports	Production plus imports
	1,000 acres	Bushels	1,000 bushels	Million pounds	Million pounds
Average:					
1926-30.....	7	17.1	120	4	31
1931-35.....	7	25.7	180	5	38
1936-40.....	10	30.0	300	9	42
1945.....	22	32.3	711	21	30
1946.....	22	38.4	844	25	24
1947.....	3/	3/	3/	3/	3/
1948.....	24	35.3	846	25	27

1/ Rough rice of production and where occurring in trade is converted to terms of milled at 65 percent.

2/ Subject to revision.

3/ Unreported.

Compiled from OFAR estimates and official statistics.

Predictions that British Guiana may not ship more than 80 percent of the 1949 allocation during the coming year indicate that the policy of buying rice from Brazil or other countries where it is available probably will be continued. The IEFCA has allocated to Trinidad 14 million pounds from British Guiana and 6 million pounds from Brazil for the first six months of 1949.

Reduced imports of rice in the war and postwar years have resulted in an increase in the domestic output in Trinidad. Production in 1948 was about 15 million pounds greater than prewar harvest. That quantity is helping to alleviate the shortage caused by the decline in imports.

CANADIAN GRAIN STOCKS LARGER

Stocks of all grains in Canada at the end of March 1949 were somewhat larger than on that date of 1948, according to a recent statement by the Dominion Bureau of Statistics. The increase reflects the larger crops harvested in 1948.

Wheat in all positions on March 31, 1949 was reported at 262 million bushels, about 25 percent more than stocks a year earlier. Wheat held on farms was reported at 129 million bushels and in country and private interior and mill elevators about 58 million bushels, making about 71 percent of total wheat stocks in these positions, compared with 76 percent a year earlier. Farm stocks in the Prairie Provinces accounted for 122 million of the 129 million total farm stocks. Wheat on farms in Saskatchewan was reported at 58 million bushels, in Alberta at 37 million, and Manitoba 17 million. Farm stocks include seed for the 1949 crop and feed requirements for the remainder of the crop year.

CANADA: Grain stocks in all positions, March 1949,
with comparisons

Position	Wheat	Oats 1/	Barley	Rye
	1,000	1,000	1,000	1,000
	<u>bushels</u>	<u>bushels</u>	<u>bushels</u>	<u>bushels</u>
In Canada--				
On Farms.....	129,260	156,656	63,061	7,732
Country elevators.....	52,886	4,792	4,775	2,809
Interior private and mill				
elevators.....	4,577	807	2,613	28
Interior terminal elevators..	161	66	948	-
Vancouver-New Westminster..				
elevators.....	5,018	241	135	-
Victoria and Prince Rupert				
elevators.....	-	-	-	-
Churchill elevator.....	100	-	-	-
Fort William - Port Arthur				
elevators.....	39,570	1,373	4,493	4,191
In transit, rail.....	14,216	1,776	1,658	493
Eastern elevators and				
storage afloat.....	14,242	993	803	274
Eastern mills.....	2,100	830	210	-
Western mills.....	240	285	135	3
Total.....	262,370	167,839	78,831	15,530
Canadian grain in the U.S. .	-	686	417	1,064
Total Canadian grain in				
North America.....	262,370	168,525	79,248	16,594
March 31, 1948 stocks--				
In Canada.....	204,620	135,504	73,102	2,217
In the United States.....	2,414	6	-	7
Total.....	207,034	135,510	73,102	2,224

1/ Reported in bushels of 34 pounds.

From reports of the Dominion Bureau of Statistics.

Lakehead wheat stocks of 40 million bushels were sharply above last year's figure of 17 million bushels in that position. The large supplies at the Lakehead are expected to show up in increased exports with the official opening on April 11, of navigation on the lakes. Wheat in transit by rail and in eastern elevators was also well above the March 1948 level.

Stocks of rye remaining from the record 1948 crop were 16.6 million bushels compared with 2.2 million a year ago. Rye remaining on farms was reported at 7.7 million bushels compared with 1.7 million in March 1948. With a considerable reduction in rye acreage expected and the consequent reduction in seed requirements, a good part of these farm stocks may be expected to remain for carryover at the beginning of the new crop season.

Barley stocks, reported at 79 million bushels show less increase from last year's level than the substantial increases for other grains. Farm stocks were 63 million bushels, or 80 percent of the total. Farm stocks in March 1948 were 47 million bushels, or 64 percent of total barley supplies.

Stocks of oats on March 31 were 169 million bushels, compared with 136 million a year earlier. Both oats and barley exports have been somewhat larger than during 1947-48, when only limited exports were permitted.

FATS AND OILS

SOUTH AFRICA CONTINUES TO INCREASE PEANUTS AND SUNFLOWER SEED PRODUCTION

South Africa's peanut and sunflower seed crops for 1948-49 are considerably higher than the 1947-48 harvests, according to a report from the American Embassy, Pretoria. These two crops are, and will continue to be, the country's most important edible oilseed crops.

A preliminary unofficial estimate places this season's peanut crop, harvested from March to June, at 85,000 short tons compared with the final official estimate of 79,000 for 1947-48 and 12,000 tons in the prewar years. The latest official figure for acreage harvested is 138,500 acres in 1946-47. The general belief is that there was a large expansion in acreage for the 1948-49 season compared with the previous one. A number of factors, including drought, rosette, aphids, and leaf spot, have contributed to the decline in yield per acre. Dry weather during the growing season from December through March, however, has been the principle reason for the lower yields.

This season's sunflower seed crop, also harvested from March to June, is unofficially estimated at 50,000 tons compared with 40,000 a year ago and an output in 1936-37 of only approximately 1,500 tons. Over 78,000 acres were harvested in 1946-47 (latest acreage figure available). This is the second year in which dwarf varieties have been planted and they have proved popular with the farmer. As long as the Government guarantees the price to the producer, an expansion in sunflower production can be expected to continue. Sunflower production is more profitable than corn in the drier parts of the country.

Soybean production for 1948-49 is unofficially estimated at 33,000 bushels. Figures for 1947-48 are not available but in 1946-47, 43,500 bushels were harvested from 6,600 acres. A total of 13,400 acres was sown of which 5,700 were used for hay and silage. It would appear that the remaining acreage was used as a green manure crop. Peanut and sunflower seed production is encouraged by a Governmental price-support program whereas soybean production is not. The result is that soybean acreage is being diverted to crops for which there are price supports.

The Union of South Africa also produces flaxseed, cottonseed, castor-beans, tung nuts, and safflower seed, but the quantity produced is not officially known. Flaxseed output is unofficially estimated at approximately 180,000 bushels a year, tung nut production at approximately 400-500 tons, and commercial cottonseed production (1947-48) at 1,250 tons.

Butter production during the calendar year 1948 totaled over 14,000 tons. Oleomargarine output for the same year was at a 3,500 ton level but is expected to be raised to 6,000 tons during 1949.

The support price for peanuts is £58 10 (\$234) per ton, shelled basis. This is the same as the price for the 1947-48 crop. Oil expressers agreed in early April to take 30,000 tons at this price, and the Government agreed to subsidize oilcake at £6 (\$24) per ton in order to enable the industry to reduce the price of edible oils to the consumer. The price of sunflower seed to the producer for the 1948-49 season was established at 20 shillings per bag of 100 pounds (\$80 per ton) free-on rail for the best grade. The Director of Food Supplies and Distribution purchased 6,000 tons of sunflower seed oil at £ 140 (\$560) per ton during 1948 to insure sufficient supplies for the country's requirements. The ceiling price of edible oils of all kinds fixed by the Government is 17 shillings 8 pence per Imperial gallon (39 cents per pound). The price ranges generally from 14 shillings 6 pence to 16 shillings per gallon (32 to 36 cents per pound) of refined oil to the consumer.

There was a carry-over from the 1948 season of 5,000 tons of peanuts, 4,000 tons of peanut oil, and 6,000 tons of sunflower seed oil. These are the only two edible oilseed crops produced in the country in connection with which surpluses are accumulating for the first time. Oils for the manufacture of paint and soap are imported as required so that stocks of these oils are not significant.

South Africa has more than sufficient quantities of peanut and sunflower seed oil to supply the country's requirements. The Government plans to export any surplus in the form of oil in order to retain the oilseed cake for livestock feed in the country. The subsidy of £ 6 per ton (\$24) for oilseed cake was made not only from the standpoint of livestock feed supplies but also to permit oil expressers to sell oil at a lower price to the consumer. It is hoped that larger supplies of oil can be sold at the reduced prices. To increase the consumption of vegetable oils the Government recently raised the ceiling of oleomargarine production from 3,500 to 6,000 tons. Oleomargarine is available only to the lower income groups.

ARGENTINE FISH AND WHALE OIL PRODUCTION

Whale Oil

Argentina produced 12,367 short tons of whale oil during the 1948-49 season according to the American Embassy, Buenos Aires. This was substantially above the output of 9,754 tons in the 1947-48 season. During the 1948-49 season 7 vessels of 400 tons each and 2 transports of 8,000 tons were used by the Argentine whaling interests. Late in June 1948 the British Colonial Office granted the chief whaling company in Argentina a 21-year lease in South Georgia Island in the Antarctic. It is stated that this company's newly equipped plant in South Georgia Island, which employs approximately 100 Argentines and 300 Norwegians, will be ready in 1950 to produce whale oil at about 3 times the present rate. By that time the new 23,000 ton whaling factory ship S.S. JUAN PERON, now being built in England, will be in operation. This new ship, which it is said will be the world's largest floating whale factory, will cost approximately \$6.0 million and have a capacity of about 30,000 tons of whale oil and associated products. Argentina has also purchased 6 new catcher boats at a cost of \$600,000 each to be delivered at the same time as the factory ship.

Trade sources estimate that about half of the 1948-49 whale oil production will be exported to the United Kingdom for use in oleo-margarine, while one-quarter will be sent to Germany and the remaining quarter to Denmark.

Fish Oil

Argentina's principal source of fish oil is the sabelo (*Prochodus platensis*), a fresh water fish. The oil obtained from this fish is very crude and used for tanning purposes. The 1948 oil yield is estimated to be 1,650 tons as compared with 2,210 tons the previous year. Germany, the most promising prospective market for this oil, took approximately 990 tons in 1948 and 373 tons during the first 2 months of 1949. The Netherlands, and Ireland, taking 550 tons, accounted for the greater portion of the balance exported in 1948.

Shark-Liver Oil

Production of vitamin-rich shark-liver oil continued to decline in 1948 owing to the smaller catch of shark. Output of liver oil in 1948 is estimated at 215 tons, compared with 276 tons in 1947. Exports, mainly to the United States and France, totaled 200 tons in 1948 and 368 tons in 1947. One of the leading shark-liver oil exporters in Argentina stated that not only was the potency of the oil from the 1948 catch unusually high (75,000 U.S.P. units per gram), but the quality also was exceptionally good. The Argentine Government has recently taken steps to insure the

quality of the shark-liver oil for exportation. Current prices for shark-liver oil vary from US \$.29 for the 40-50,000 U.S.P. unit oil to US \$.3375 for the 90-100,000 U.S.P. unit oil, f.o.b. Buenos Aires.

The catch of southern shark, for which the season started late in December and ended in April, was very small. As it was virtually impossible to take paying catches of sharks near Mar del Plata, the fishing crews extended their fishing farther south and were forced to go as far as 100 kilometers to sea to find adequate fishing grounds. With the closing of the southern shark season, fishing activities will be minimized until the new season starts in Mar del Plata and Patagones around the first week in July. In the meantime only limited quantities of low potency oil, obtained primarily from female sharks, will be produced in the Mar del Plata-Nechochea district. Exporters of shark-liver oil are much concerned about the increased threat of synthetic vitamin production to their business. Because of the rise in the costs of fishing and processing, they may find it difficult to compete with the new low-cost synthetic oil.

TROPICAL PRODUCTS

DROP IN BRAZILIAN COFFEE PRODUCTION FORECAST

Latest indications point to a 1949 coffee crop in Brazil of about 18 million bags, as compared with 23 million bags in 1948 and an annual average production of 27 million bags in the prewar years, 1935-39, according to the American Embassy in Rio de Janeiro.

With an annual domestic consumption of coffee estimated at approximately 5 million bags, Brazil is expected to export about 13 million bags from the 1949 crop. The crop in Sao Paulo, Parana, and Southern Minas Gerais (of chief interest to United States importers) will be substantially less than in 1948, whereas the crop of inferior types of coffee from the Zona da Mata of Minas Gerais, Espirito Santo, and Rio de Janeiro will be larger.

The fifth official Sao Paulo forecast for the 1949 crop in that State is 8.1 million bags. This compares with a March forecast of 8.5 million bags, a February forecast of 9.1 million bags, a January forecast of 9.2 million bags, and a December forecast of 9.4 million bags. In 1948, Sao Paulo produced more than 11 million bags of coffee.

No official explanation has been given for the smaller coffee production forecast for 1949. A well-known grower and exporter said that the combination of unseasonal cold during the September 1948 flowering period and lack of rain immediately following would reduce the 1949 crop by 20 percent. The Sao Paulo Secretariat of Agriculture attributed part of the reduction in the crop in that State to "loss of soil fertility". Weather has been generally favorable since January, and broca infestation is said to be less serious than in 1948.

HAITI'S 1948 COFFEE EXPORTS SMALLER; LITTLE CHANGE IN 1948-49 PRODUCTION

Exports of 381,000 bags of coffee from Haiti during the 1948 calendar year fell about 7 percent below exports of about 410,000 bags in 1947 and around 15 percent below the annual average 1935-39 exports of 448,000 bags. Experts of the Haitian National Office of Coffee now expect the 1948-49 coffee crop to provide an exportable surplus in excess of 373,000 bags, according to the American Embassy in Port-au-Prince.

Practically no coffee was carried over into 1949 from the 1947-48 crop. The quality of the current coffee crop in Haiti is said to be the best in years.

Europe is still Haiti's chief outlet for coffee, importing 272,000 bags in 1948 as compared with 288,000 bags in 1947, and an annual average of 364,000 bags in the prewar year's, 1935-39. The United States purchased 107,000 bags of coffee from Haiti in 1948, 120,000 bags in 1947, and an annual average of 79,000 bags from 1935-39. Haiti's leading coffee customers in 1948 were Belgium, the United States, Italy, Norway, and the Netherlands.

HAITI: Exports of green coffee in 1948, with comparisons

Destination	Average	1947 1/	1948 2/
	1935-39 1/		
	Bags	Bags	Bags
United States	79,000	120,213	106,565
Other Western Hemisphere	1,000	225	2,271
Belgium	87,000	111,426	121,532
Italy	19,000	41,127	72,878
Netherlands	11,000	17,631	27,244
Norway	5,000	89,508	30,702
Other Europe	242,000	28,260	19,384
Other	4,000	2,600	600
Total	448,000	410,990	381,176

1/ Fiscal year, October to September.

2/ Preliminary.

Source: Annual Report of the Haitian Government Fiscal Representative and U.S. Foreign Service Reports

MADAGASCAR'S 1948 EXPORTS OF VANILLA BEANS DOWN SHARPLY

In 1948, Madagascar exported only 387,000 pounds of vanilla beans, as compared with 1947 exports of 1,076,000 pounds, 1946 exports of 1,440,000 pounds, and annual average 1935-39 exports of 892,000 pounds, according to the American Consulate in Tananarive.

The United States consumes most of the vanilla produced in the world, and Madagascar is normally the world's largest suppliers of vanilla beans. However, in 1948, the United States purchased less than 5,000 pounds of vanilla beans from Madagascar, in comparison with 842,000 pounds in 1947 and 948,000 pounds in 1946. After the war, stocks of vanilla beans in the

United States were low, and United States importers were forced to replenish their stocks largely from Madagascar at official minimum prices which kept getting higher and higher. Finally, on October 30, 1947, the official price of first quality Madagascar vanilla beans was raised to a record high of \$7.71 per pound, and United States firms refused to make additional purchases until the restoration of a free market. A stalemate continued throughout 1948.

To stabilize the market, Madagascar sponsored a program which resulted in the destruction of nearly 1,400,000 pounds of vanilla beans (more than a normal year's world supply) and lowered minimum export prices 35 to 50 percent during the latter part of 1948. Following this action Madagascar officials announced that: (1) prices had been lowered to a reasonable level, (2) stocks of low quality beans have been destroyed at a considerable cost to the government, and (3) steady prices for good quality vanilla will be maintained. They stated that the vanilla trade is speculative enough without returning to the "miserable conditions" of 1930-34, and there are now signs of a rising interest in purchases by the United States importers.

TOBACCO

AUSTRIA DE-RATIONS TOBACCO PRODUCTS; REDUCES CIGARETTE PRICES

Austria's main parliamentary committee removed all tobacco products from ration effective April 23, 1949, and reduced the price beginning April 12, of two brands of cigarettes manufactured by the Austrian Tobacco Monopoly, according to the American Legation in Vienna.

Prior to the de-rationing on April 23, the legal ration, which applied to medium and low-priced cigarettes and other products, was 40 cigarettes per month for all adults, or an equivalent amount of cigars or pipe tobacco. Consumers with high income could supplement the ration with unrationed high priced cigarettes. In addition, many foreign-made cigarettes were available on the black market.

The reduction in cigarette prices on April 12 was the sixth reduction since January 1, 1948, when the first postwar price reduction occurred. Present prices for Monopoly brands average about 50 percent below the prices which prevailed prior to January 1, 1948. The latest price reduction applied to two of the Monopoly's most expensive brands; the Jonny and the Austria I. The Jonny brand, which is an American blended type cigarette first introduced by the Monopoly in September 1948, was reduced in price from 10 shillings (1 U.S. dollar) to 7 shillings (70 U.S. cents) per package of 20 cigarettes. The Austria I brand was reduced in price from 8 shillings (80 U.S. cents) to 5 shillings (50 U.S. cents) per package of 20 cigarettes.

The price reductions were made because of black market competition from illegally imported, foreign-made cigarettes. Before the latest price reduction, leading American brands were selling in the black market

slightly below the Jonny brand. Black market competition from Bulgarian and Hungarian cigarettes were responsible for the price reductions of the cheaper Monopoly brands.

In contrast to the sharp decline in cigarette prices, retail prices of cigars, pipe tobacco and other tobacco products have remained unchanged since 1947. This has been due to the fact that illegal imports of these products have been negligible and the Monopoly's production has not been sufficient to meet consumer demand.

GREECE'S TOBACCO ACREAGE AND PRODUCTION SMALLER; EXPORTS LARGER

Greece's 1948 tobacco crop is estimated at about 22 percent below the 1947 crop, according to the American Embassy in Athens. The area planted to tobacco in 1948 was about 8 percent below 1947, and the yield per acre was also lower. Leaf exports in 1948 were about 4 percent larger than in 1947.

The 1948 tobacco crop is estimated by the Hellenic Tobacco Board at 81.1 million pounds, as compared with 103.9 million pounds in 1947 and the prewar, 1935-39, annual average of 132.8 million pounds. The reduction in the 1948 crop was due to a decrease in acreage in several of the country's most important tobacco districts, which resulted from the disturbed conditions in the country incident to the civil war. Insecurity due to guerilla activity caused many farmers to abandon their farms and become refugees in the larger towns and cities. Districts most adversely affected in this way were Thrace, Macedonia, Epirus, Phthiotis and Phokis.

The area planted to tobacco in 1948 is placed at 178,465 acres, compared with 194,047 acres in 1947 and an annual average of about 226,000 acres in the 1935-39 period. The 1948 yield per acre of 455 pounds was 15 percent below the 1947 yield of 536 pounds and 23 percent below the 1935-39 average yield of 589 pounds.

Leaf exports in 1948 totaled 40.8 million pounds, compared with 38.7 million pounds in 1947 and an annual average of 97.7 million pounds in the prewar, 1935-39 period. Although the 1948 exports were the largest since 1942 they were still only 42 percent of prewar, due to lower production during the war and postwar years. The United States was the most important outlet for Greek leaf in 1948, taking 12.0 million pounds or about 34 percent of Greece's total leaf exports. Germany, the most important prewar outlet, entered the market for the first time since the end of the war and took about 5.0 million pounds. This compares with prewar, 1935-39, average annual exports to Germany of about 48.0 million pounds. Other countries taking substantial quantities of leaf in 1948 include Italy, Czechoslovakia, France, Finland, Austria, the United Kingdom, Sweden Switzerland and Egypt.

PORTUGAL INCREASES TOBACCO
IMPORT DUTIES

Portugal increased import duties on tobacco leaf by 25 percent and manufactured tobacco products by 20 percent effective April 13, 1949 according to the American Embassy in Lisbon.

The new rates are: (1) leaf tobacco, 2.10 gold escudos per kilogram (\$0.94 per pound); (2) cigars, 6.30 gold escudos per kilogram (\$2.82 per pound); cigarettes, 5.80 gold escudos per kilogram (\$2.59 per pound); and cut tobacco, 5.50 gold escudos per kilogram (\$2.46 per pound).

The difference between the old and new rates on leaf are collectible on stocks held within the country on the date the new rates went into effect. The new import duties are not expected to affect materially the country's leaf imports, which come principally from the United States.

LIVESTOCK AND ANIMAL PRODUCTS

LIVESTOCK NUMBERS IN BIZONAL
AREA OF GERMANY INCREASE

Livestock numbers in the bizonal areas of Germany, according to the December census, have shown an increase in all categories.

Cattle numbers in December, 1948 were 2 percent larger than the year before, but were 15 percent below the 1936-38 average. Hogs increased by 1 million head and are now 46 percent below the prewar level. Sheep numbers also were slightly larger than a year earlier and now actually exceed prewar numbers by 400,000 head. Horse numbers also increased over a year earlier and were the only other type of livestock to exceed prewar levels. Poultry numbers also showed a substantial increase, but are still 46 percent below the 1936-38 average.

In general the census indicates that the restoration of livestock numbers in the Bizonal area of Germany is well underway. Further restoration of livestock numbers apparently depends on the availability of feed, both domestic and imported. The following table gives detailed statistics and comparisons:

Eizone Germany: Number of livestock
on December 1, 1948, with comparisons

Type	1936- 1938	1938	1946	1947	1948 1/
	Thousands	Thousands	Thousands	Thousands	Thousands
Total All Cattle	10,422.0	10,255.2	9,522.5	8,628.1	8,855.3
Under 2 years 2/	4,304.9	4,192.4	3,425.0	3,151.9	3,276.7
Total Breed Bulls	86.6	82.5	96.5	93.2	94.5
Heifers and Cows	5,622.8	5,563.1	5,557.0	5,015.4	5,109.9
Others, 2 years and over	407.7	417.2	444.0	367.6	354.7
Total All Hogs	11,117.9	10,751.6	5,663.1	4,920.7	5,985.7
Under 6 months	6,662.2	6,329.9	3,043.2	2,607.1	3,378.5
Boars	39.3	36.7	48.0	44.2	54.6
Sows	906.3	901.7	764.5	598.7	738.5
Slaughter Hogs	3,510.1	3,483.3	1,807.4	1,670.7	1,814.1
Total All Sheep	1,795.4	1,872.9	2,040.3	2,106.5	2,196.6
Under 1 year	582.4	612.6	636.0	655.7	725.9
Male, 1 year and over	182.1	191.1	168.7	187.9	176.6
Female, 1 year and over	1,030.9	1,069.2	1,235.6	1,262.9	1,294.1
Total All Horses	1,378.1	1,387.0	1,419.0	1,436.5	1,445.4
Colts	103.9	106.5	101.9	138.2	134.6
1 - 3 years	175.6	192.1	241.8	209.5	220.8
3 years and over	1,098.6	1,088.4	1,075.3	1,088.8	1,090.0
Total All Poultry	47,359.0	47,682.0	22,235.7	21,987.0	25,463.0
Laying Hens)		33,196.0		17,460.0	20,109.0
Cocks and Chickens)	44,200.0	11,366.0	20,964.0	2,204.0	2,558.0
Other Poultry 3/	3,159.0	3,120.0	N.A.	2,438.0	2,796.0

- 1/ Preliminary.
2/ Excluding breed bulls.
3/ Geese, ducks, turkeys, guinea fowl, and bantam chickens.

Compiled from official sources.

COTTON AND OTHER FIBERCOTTON-PRICE QUOTATIONS
ON FOREIGN MARKETS

The following table shows certain cotton-price quotations on foreign markets converted at current rates of exchange:

COTTON: Spot prices in certain foreign markets, and the
U.S. gulf-port average

Market location, kind, and quality	Date 1949	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound
<u>Alexandria</u>		: Kantar	:	:	:
Ashmouni, Good.....	5-5	: 99.05 lbs.	: Tallari	: 48.40	: 40.39
Ashmouni, F.G.F.....	"	: "	: "	: 46.15	: 38.51
Karnak, Good.....	"	: "	: "	: a/ 71.40	: a/ 59.58
Karnak, F.G.F.....	"	: "	: "	: 66.40	: 55.41
<u>Bombay</u>		: Candy	:	:	:
Jarila, Fine.....	"	: 784 lbs.	: Rupee	: 620.00	: 23.86
Broach, Fine.....	"	: "	: "	: 650.00	: 25.01
Kampala, East African.....	"	: "	: "	(not available)	
<u>Karachi</u>		: Maund	:	:	:
4F Punjab, S.G., Fine.....	5-4	: 82.28 lbs.	: "	: 87.00	: 31.90
289F Sind, S.G., Fine.....	"	: "	: "	: 94.50	: 34.65
289F Punjab, S.G., Fine....	"	: "	: "	: 97.50	: 35.75
<u>Buenos Aires</u>		: Metric ton	:	:	:
Type B.....	5-5	: 2204.6 lbs.	: Peso	: 3750.00	: 50.64
<u>Lima</u>		: Sp. quintal	:	:	:
Tanguis, Type 5.....	5-4	: 101.4 lbs.	: Sol	(not quoted)	
Pima, Type 1.....	"	: "	: "	: 485.00	: b/
<u>Recife</u>		: Arroba	:	:	:
Mata, Type 4.....	5-5	: 33.07 lbs.	: Cruzeiro	: 215.00	: 35.37
Sertao, Type 5.....	"	: "	: "	: 200.00	: 32.90
<u>Sao Paulo</u>		:	:	:	:
Sao Paulo, Type 5.....	"	: "	: "	: 196.00	: 32.25
<u>Torreón</u>		: Sp. quintal	:	:	:
Middling, 15/16".....	5-4	: 101.4 lbs.	: Peso	: 194.00	: 23.76
<u>Houston-Galveston-New</u>		:	:	:	:
Orleans av. Mid. 15/16"....	5-5	: Pound	: Cent	: XXXXX	: 32.88

Quotations of foreign markets reported by cable from U. S. Foreign Service posts abroad. U. S. quotations from designated spot markets.

a/ Correction: Karnak, Good, quoted 67.45 on April 28, 1949, should be 69.45 (57.95 U.S. cents).

b/ No current exchange rates available. Using rates received in February and converting at 45% on the official rate and 55% on the free market rate, a price of 48.49 U.S. cents is derived.

PORTUGAL'S COTTON TEXTILE INDUSTRY
CONTINUES TO EXPAND 1/

The cotton textile industry in Portugal continues to expand and is now consuming about 160,000 bales (500 pounds gross weight) annually as compared to about 90,000 bales prewar. Cotton consumption in the 1947-48 season was reported at 157,000 bales. Although figures are not available for the first part of the 1948-49 season, present consumption is reported to be higher.

According to official statistics the industry had about 660,000 spindles and 24,520 looms in operation in 1946. However, 760 of the looms are manually operated and only 232 are automatic. The mills range in size from small establishments with 4 looms to factories with thousands of spindles and hundreds of looms. About 42 percent of the spindles are installed in small factories with less than 10,000 spindles each, and 47 percent of the mechanical looms are in mills with less than 300 looms each.

About 93 percent of the textile mills are located in northern Portugal where labor is more abundant and there is plenty of water power.

The use of private capital with Government protection has developed the cotton textile industry in Portugal into one of the country's leading industries.

The cotton textile mills constructed during the past few years have been modern in structure and built in strict compliance with plans approved by the government for worker protection. The spindles are practically all of Swiss manufacture, while the looms are of Swiss, British, and United States manufacture.

The Spanish Civil War which began in 1936, and the non-participation of Portugal in World War II, provided unusual opportunities for Portuguese textile exports to markets normally not available. These shipments have expanded rapidly and in the past few years have become one of the largest items in Portuguese export trade.

Since World War II Portugal has been meeting increased competition for export markets and a gradual weakening of demand in importing countries as the wartime deficit was overcome. The steady development of exports to the Portuguese colonies where protective laws prevail, however, has provided a ready market for most of Portugal's surplus production. Before the war these colonies purchased most of their cotton textile supplies in Japan and the United Kingdom.

1/ Based on reports of Jay Walker, American Consul, Oporto, and D. Espirito Santo, Clerk, American Embassy, Lisbon.

In 1947 Portugal exported 13.8 million pounds of cotton textiles, or about 30 percent of the 45.3 million pounds produced. About 98 percent of total exports went to the Portuguese colonies.

In connection with the development of the cotton textile industry it has long been the aim of the Portuguese to utilize their colonies of Angola and Mozambique as the principal source of raw cotton. Their success is shown by the fact that in 1934 only 12 percent or 12,115 bales of the cotton imported into Portugal were received from the colonies, while in 1947 such imports were nearly 85 percent of the total or 118,787 bales.

In this connection it should be noted that in 1934 to 1936 about 50 percent of Portugal's cotton imports were from the United States. Thereafter, however, imports decreased rapidly and no United States cotton has been imported since 1941.

The importation and prices of raw cotton in Portugal are controlled by the Regulating Commission of Cotton Trade, established in May 1937. A limited number of firms are licensed to handle the imports and the Commission fixes the quantity of raw cotton for each importer by sources. Importers and mills are given fixed monthly quotas based on their needs, as a means of preventing hoarding of stocks. Imports from foreign countries are authorized only when Portuguese colonial cotton is not available.

The importers must pay cash to the Commission for raw cotton imported and cannot sell their stocks to the manufacturer until the Commission issues permits to the mills to buy from the importers.

The Commission also maintains rigid control over cotton mill operations by setting the quantities of cloth and yarn to be produced and prices at which they must sell. The spinning mills are permitted to sell to the weaving mills only allotments of yarn authorized by the Commission.

It is estimated that Portugal's requirement for cotton, other than colonial, will amount to about 45,000 bales this season. During the first 7 months of the season Brazil and Egypt were the sources for practically all of Portugal's cotton imports. Portugal has not entered the American market despite the fact that the prices of United States cotton are now very favorable as compared to those for other growths. This may be attributed partly to a scarcity of dollar exchange.

The Portuguese cotton textile outlets are expected to be confined largely to the protected domestic and colonial markets. The mill owners feel that without the immediate possibility of additional markets in other countries, further expansion of mill capacity is not advisable in the near future.

At present, considerable attention is being given to attaining greater efficiency in operation of the mills and lowering production costs to strengthen their competitive position. Some of the mill owners are endeavoring to obtain the required official permission to buy modern machinery abroad to replace equipment that has become worn and obsolete.

L A T E N E W S

(Continued from Page 440)

An announcement of a trade agreement between India and Yugoslavia indicates that Yugoslavia has agreed to sell 20,000 tons (about 800,000 bushels) of corn to India, along with other commodities, during the calendar year 1949. Half of this quantity of corn will be supplied immediately. Information is not available on prices or other terms and conditions of the trade. The agreement also provides that Yugoslavia will endeavor to increase this allocation by another 20,000 tons on prices and terms to be fixed later by mutual agreement.

- - - - -

A barter agreement between Uruguay and Brazil was signed on April 20, 1949. One of the principal provisions of this agreement, as reported by the American Embassy in Montevideo, is that Uruguay will export to Brazil 65,000 metric tons (2,388,000 bushels) of wheat and 45,000 metric tons of wheat flour (2,278,000 bushels of wheat, grain equivalent).

- - - - -

The Minister of Economy and Labor in Guatemala lifted the important prohibition on hard wheat flour on April 20, while reserving the right to restrict the importation of semi-hard and soft wheat flour, according to the American Embassy in Guatemala City. The decree provides that equal quantities of domestic flour must be consumed with imported flour.

- - - - -

Current import prices of wheat in Switzerland are lower than the legal price at which the government buys from domestic producers. A regulation that is being strictly enforced requires farmers to retain 150 kilograms (5.5 bushels) of wheat per capita for home consumption.

- - - - -

It will be necessary for Uruguay to import approximately 2.8 million bushels of corn for domestic needs this year as a result of unseasonal drought.

- - - - -

All of southern Africa is expected to have a short 1948-49 corn crop due to drought. Because of a large carry-over from the 1947-48 record corn crop, the Union of South Africa is reported to have supplies sufficient to meet minimum domestic requirements. Northern and Southern Rhodesia and Nyasaland, however, will find it necessary to import 3.6 million bushels of corn, principally from the United States. Transportation difficulties exist, since the Port of Beira in Mozambique cannot handle all of the required grain imports along with normal imports. Representatives from Southern Rhodesia are negotiating to move corn through the Union of South Africa, but transportation facilities there are limited.

- - - - -

